

April 14, 2006

TO THE HONORABLE MEMBERS OF THE ASSEMBLY:

I am vetoing Assembly Bill 1074. This bill would reduce the caps on attorney fees and prohibit the recovery of support staff and overhead costs in medical malpractice cases handled on a contingency fee basis.

I am vetoing this bill because it is unnecessary and it would limit access to the civil justice system for low-income and middle-income plaintiffs. Current law already caps contingency fees at one-third of the first \$1,000,000 recovered and 20% in excess of that amount. This bill substantially reduces the existing caps and would seriously undermine the existing contingency fee system in Wisconsin. While not perfect, contingency fee arrangements are often useful in helping to provide access to the legal system for injured consumers and patients.

Just because a low-income or middle-income person doesn't have thousands of dollars to put a lawyer on retainer doesn't mean they shouldn't have access to our system of justice. Unfortunately, this bill is a step toward reserving the justice system for the privileged, a step I cannot support.

Respectfully submitted,

JIM DOYLE Governor

## State of Wisconsin



2005 Assembly Bill 1074

Date of enactment: Date of publication\*:

## 2005 WISCONSIN ACT

AN ACT to amend 655.013 (1m) (intro.); and to create 655.013 (1p) of the statutes; relating to: recovery of attorney fees in medical malpractice cases.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

**SECTION 1.** 655.013 (1m) (intro.) of the statutes is amended to read:

655.013 (1m) (intro.) Except as provided in sub. (1t), with respect to any act of malpractice for which a contingency fee arrangement is entered into on and after June 14, 1986, and before the effective date of this subsection .... [revisor inserts date], in addition to compensation for the reasonable costs of prosecution of the claim, the compensation determined on a contingency basis and payable to all attorneys acting for one or more plaintiffs or claimants is subject to the following limitations:

**SECTION 2.** 655.013 (1p) of the statutes is created to read:

655.013 (**1p**) (a) Except as provided in sub. (1t), with respect to any act of malpractice for which a contingency

fee arrangement is entered into on or after the effective date of this subsection .... [revisor inserts date], in addition to compensation for the reasonable costs of prosecution of the claim, the compensation determined on a contingency basis and payable to all attorneys acting for one or more plaintiffs or claimants shall be as follows:

- 1. Forty percent of the first \$50,000 recovered.
- 2. Thirty-three and one-third percent of the next \$50,000 recovered.
- 3. Twenty-five percent of the following \$500,000 recovered.
- 4. Fifteen percent of any amount in excess of \$600,000 recovered.
- (b) In this subsection, the reasonable costs of prosecution of the claim does not include medical costs incurred by the plaintiff, payments to consulting attorneys, or the attorneys' office overhead costs and office support staff costs.

<sup>\*</sup> Section 991.11, WISCONSIN STATUTES 2003-04: Effective date of acts. "Every act and every portion of an act enacted by the legislature over the governor's partial veto which does not expressly prescribe the time when it takes effect shall take effect on the day after its date of publication as designated" by the secretary of state [the date of publication may not be more than 10 working days after the date of enactment].